

# **State of Alaska FY2008 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Statewide Administrative Services Component Budget Summary**

## Component: Statewide Administrative Services

### Contribution to Department's Mission

To support the department's operations with quality administration and information technology.

### Core Services

This component provides centralized services in the areas of budget, finance, cost allocation plans, collection of federal and other revenue, and development of policies and procedures. It also provides the oversight of the Information Systems Section, the Highway Working Capital Fund and the Department's website.

The program staff acts as liaison between the Department of Transportation & Public Facilities (DOT&PF) and the Department of Administration for financial, personnel, payroll, web development, and information technology directives, and the Office of Management and Budget and the Legislature regarding to budget issues.

This component provides the day-to-day operational support for the department in 85 locations throughout the state. It provides support in accounts payable and accounts receivable. Functions include, but are not limited to, payment of travel costs, payment of utility, contractor and general vendor invoices, auditing of the Alaska Marine Highway System (AMHS) sales reports, establishing Reimbursable Service Agreements (RSA), processing revenues from RSAs, payments against RSAs, and billing various federal agencies, municipalities and private individuals.

### FY2008 Resources Allocated to Achieve Results

<b>FY2008 Component Budget: \$6,762,100</b>	<b>Personnel:</b>	
	Full time	60
	Part time	0
	<b>Total</b>	<b>60</b>

### Key Component Challenges

The division will continue to analyze services it provides in an effort to find the most efficient and effective methods of service delivery. Areas currently under review, or in initial stages of implementation include: improved financial monitoring of capital projects, electronic timesheets, Federal Highway Administration's (FHWA's) newly revised financial system (FMIS 4.0) and FHWA's new payment system—Rapid Approval and State Payment System (RASPS), and a performance measurement status reporting system.

In an effort to consolidate functions within the department, the manual billings for Federal Transit Administration, Highway Safety Office, and the Federal Railroad Administration projects were moved to Statewide Administrative Services from Program Development. Additionally, staff are attempting to find better ways to monitor, track and bill expenditures and revenue activity associated with those programs. Incorporation into the automated Third Party Billing System would be the goal. To improve efficiencies with technologies, the division needs to convert Alaska Housing Finance billing into a more automated process. At least 50% of the current process is manual.

The division must coordinate with Program Development, Highway Safety, and National Highway Traffic & Safety Administration (NHTSA) to bring the Highway Safety Office (HSO) operation into compliance with NHTSA standards in order to avoid loss of federal funds.

We will continue to provide guidance to DOT&PF personnel regarding centralized Human Resources, assisting in implementation of personnel directives, coordinating and training staff statewide, and fielding questions and concerns from employees.

Federal agencies have increased the financial oversight of state DOTs. The Financial Integrity Review and Evaluation program started by FHWA this past year requires annual certification of internal and financial controls in all aspects of our surface transportation program. The Federal Aviation Administration (FAA) has again increased emphasis on audit and financial oversight of airport sponsors to detect and prevent diversion of airport revenues to non-airport purposes.

## Significant Changes in Results to be Delivered in FY2008

No significant changes are anticipated.

## Major Component Accomplishments in 2006

- In 2006 the capital improvement program (CIP) and project accounting section processed federal drawdowns for a total of \$513,024,233 in yearly revenue. Revenues show an approximate 1.9% decrease between FY2005 and FY2006.
- The Electronic Clearing House Operation (ECHO) web system was introduced allowing us to more easily process Federal Transit Administration (FTA) drawdowns.
- Completed the Indirect Cost Allocation Plan and received FHWA approval of the plan.
- Received no audit findings and recommendations during the statewide single audit.
- Transitioned 95% of DOT&PF web pages over to the new statewide standard.
- Revised the editing process for billing federal agencies so that it is in line with OMB Circular A-87.
- Streamlined manual billing processes for such entities as Highway Safety Office, Fatal Accidents Reporting, Alaska Housing Finance Corporation, and the Alaska Student Loan Corporation.
- Updated the department's website design format to strengthen site presence and improve navigation identity.
- Implemented an FAQ section on the DOT&PF website to assist users in their visits to our site.
- Launched a collaborative brochure/website promotion to assist in recruiting engineers for department positions.

## Statutory and Regulatory Authority

AS 44.42.010-900 State Government

AS 02 Aeronautics

AS 19 Highways and Ferries

AS 35 Public Building, Works and Improvements

### Contact Information

**Contact:** Nancy J. Slagle, Director, Administrative Services

**Phone:** (907) 465-3911

**Fax:** (907) 465-3124

**E-mail:** Nancy\_Slagle@dot.state.ak.us

### Statewide Administrative Services Component Financial Summary

*All dollars shown in thousands*

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	3,775.5	4,173.0	4,731.8
72000 Travel	14.6	13.3	13.3
73000 Services	1,880.7	1,917.9	1,975.9
74000 Commodities	124.0	41.1	41.1
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>5,794.8</b>	<b>6,145.3</b>	<b>6,762.1</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	2,386.1	2,575.0	3,134.3
1026 Highways/Equipment Working Capital Fund	480.8	512.3	512.3
1027 International Airport Revenue Fund	465.4	492.4	549.9
1061 Capital Improvement Project Receipts	1,397.2	1,627.2	1,627.2
1076 Marine Highway System Fund	746.9	828.1	828.1
1156 Receipt Supported Services	318.4	110.3	110.3
<b>Funding Totals</b>	<b>5,794.8</b>	<b>6,145.3</b>	<b>6,762.1</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Receipt Supported Services	51073	318.4	110.3	110.3
Capital Improvement Project Receipts	51200	1,397.2	1,627.2	1,627.2
<b>Restricted Total</b>		<b>1,715.6</b>	<b>1,737.5</b>	<b>1,737.5</b>
<b>Total Estimated Revenues</b>		<b>1,715.6</b>	<b>1,737.5</b>	<b>1,737.5</b>

**Summary of Component Budget Changes  
From FY2007 Management Plan to FY2008 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2007 Management Plan</b>	<b>2,575.0</b>	<b>0.0</b>	<b>3,570.3</b>	<b>6,145.3</b>
<b>Adjustments which will continue current level of service:</b>				
-FY 08 Health Insurance Increases for Exempt Employees	0.1	0.0	0.0	0.1
-Fund Source Adjustment for Retirement Systems Increases	179.9	0.0	-179.9	0.0
<b>Proposed budget increases:</b>				
-Additional funding for lease cost increases	58.0	0.0	0.0	58.0
-FY 08 Retirement Systems Rate Increases	321.3	0.0	237.4	558.7
<b>FY2008 Governor</b>	<b>3,134.3</b>	<b>0.0</b>	<b>3,627.8</b>	<b>6,762.1</b>

**Statewide Administrative Services  
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2007</u> <u>Management</u> <u>Plan</u>	<u>FY2008</u> <u>Governor</u>		
Full-time	60	60	Annual Salaries	2,766,354
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	2,263,788
			<i>Less 5.93% Vacancy Factor</i>	<i>(298,342)</i>
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>60</b>	<b>60</b>	<b>Total Personal Services</b>	<b>4,731,800</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant II	0	1	1	0	2
Accountant III	0	0	2	0	2
Accountant IV	1	0	2	0	3
Accountant V	0	0	1	0	1
Accounting Clerk I	0	0	1	0	1
Accounting Clerk II	3	3	3	0	9
Accounting Spvr I	2	0	1	0	3
Accounting Spvr II	1	0	1	0	2
Accounting Tech I	7	2	5	0	14
Accounting Tech II	4	2	3	0	9
Accounting Tech III	0	2	3	0	5
Administrative Clerk I	0	0	1	0	1
Administrative Clerk III	0	0	2	0	2
Administrative Manager II	0	0	1	0	1
Administrative Manager IV	0	0	1	0	1
Division Director	0	0	1	0	1
Program Budget Analyst IV	0	0	2	0	2
Publications Spec III	0	0	1	0	1
<b>Totals</b>	<b>18</b>	<b>10</b>	<b>32</b>	<b>0</b>	<b>60</b>